GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:249
ANSWERED ON:20.11.2001
DISINVESTMENT IN AIR INDIA AND INDIAN AIRLINES
DR. KIRIT SOMAIYA;PRABODH PANDA

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether disinvestment of Indian Airlines and Air India have received a setback;

(b) whether all the Labour Union Officers` Association and Management of both these companies have opposed the disinvestment;

(c) whether Indian Airlines and Air India have improved their profitability during 2000-01;

(d) if so, the comparative figures thereof for the last three years;

(e) whether the Government have worked out any restructuring plan for the survival of Indian Airlines and Air India in the free economy;

(f) whether Air India and Indian Airlines has not been included in the list of PSU`s disinvestment during the current financial year; and

g) if so, the reasons therefor?

Answer

MINISTER OF DISINVESTMENT AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI ARUN SHOURIE)

(a) Yes, Sir.

(b) Some of the Unions of the workers and officers of both Air India (AI) and Indian Airlines (IA) raised certain issues in regard to disinvestment in these companies.

(c) No, Sir.

(d) The profit/loss figures of both Air India and Indian Airlines during the last 3 years are as under: -

(Rs. Crore)

Company	1998-99 Net Profit (Loss)	99-2000 Net Profit (Loss)	2000-01 Net Profit (Loss)
Air India	(174.48)	(37.63)	(44.40)-Provisional
Indian Airlines	14.17	51.42	(159.17)-Provisional

(e) The disinvestment plan for both Air India and Indian Airlines is in recognition of the need for operating the two Airlines on commercial principles with competitive spirit so that they can thrive in a free economy.

(f) & (g) They have not been included since it is not likely that their disinvestment would get completed during this current financial year, in view of the prevalent sectoral conditions.